

**CASE**

**NUMBER:**

99-002

HISTORY INDEX FOR CASE: 99-002  
LOUISVILLE GAS AND ELECTRIC COMPANY  
Investigation - Service  
HUNDLEY INJURY

In the Matter of Louisville Gas and Electric Company  
Failure to Comply with Commission Regulations 807 KAR 5:006,  
Section 26(1)(a) and 807 KAR 5:041, Section 3(1).

SEQ NBR	ENTRY DATE	REMARKS
0001	01/15/99	Order ent., resp. to allegations due 2/4/99; hearing scheduled on 2/24/99 at 9:00
M0001	02/04/99	DOUGLAS BROOKS LG&E-ANSWER & REQUEST FOR INFORMAL CONFERENCE
0002	02/19/99	Order entered; cancels 2/24 hearing; schedules 3/2 informal conference
M0002	03/01/99	DOUGLAS BROOKS LG&E-MOTION TO RESCHEDULE INFORMAL CONFERENCE
0003	03/03/99	Order rescheduling informal conference to 3/10/99 at 10:30 in Conference Rm. 1.
0004	03/25/99	IC memo sent to parties; comments, if any, due 4/2/99.
0005	05/24/99	Stipulation of Facts and Agreement mailed to parties of record.
0006	07/30/99	Final Order adopting Stipulation; civil penalty of \$6,000 to be paid.
M0003	08/23/99	DOUGLAS BROOKS LG&E-RESPONSE TO ORDER OF JULY 30,99 6,000 PAYMENT FOR FAILURE TO COMPLY
0007	08/25/99	Receipt of Payment of \$6,000 for assessed penalty.



PNC BANK

21-10/830

No. 112013082

Cashier's Check

PNC Bank, National Association  
Kentucky

Date AUGUST 17 1999

112

Pay to the Order of KENTUCKY STATE TREASURER\*\*\*\*\*

\$ \$\$\$\$\$\$6,000.00

PNC BANK

LG&E REMITTER

PNC Bank, National Association

OFFICIAL SIGNATURE

⑈ 112013082⑈ ⑆083000108⑆ 3000992200⑈

Kentucky Public Service Commission  
730 Schenkel Lane  
P. O. Box 615  
Frankfort, KY 40602

Re: Case No. 99-002; Louisville Gas and Electric Company, Alleged Failure to Comply With Commission Regulations

Dear Sirs:

Pursuant to the Order of the Commission entered in this proceeding on July 30, 1999, I have enclosed herewith a certified cashier's check drawn on behalf of Louisville Gas and Electric Company in the amount of Six Thousand Dollars (\$6,000.00) as payment of the civil penalty thereby assessed.

Sincerely yours,

Douglas M. Brooks  
Senior Counsel Specialist, Regulatory  
(502) 627-2557

RECEIVED  
AUG 23 1999  
PUBLIC SERVICE  
COMMISSION

enclosure



COMMONWEALTH OF KENTUCKY  
**PUBLIC SERVICE COMMISSION**  
730 SCHENKEL LANE  
POST OFFICE BOX 615  
FRANKFORT, KY. 40602  
(502) 564-3940

CERTIFICATE OF SERVICE

RE: Case No. 99-002  
LOUISVILLE GAS AND ELECTRIC COMPANY

I, Stephanie Bell, Secretary of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the following by U.S. Mail on July 30, 1999.

Parties of Record:

Greg Ferguson  
Regulatory Affairs Coordinator  
Louisville Gas and Electric Company  
P. O. Box 32010  
Louisville, KY. 40232 2010

Honorable Douglas M. Brooks  
Louisville Gas and Electric Company  
220 West Main Street  
P. O. Box 32010  
Louisville, KY. 40232

Stephan Bell  
Secretary of the Commission

SB/hv  
Enclosure

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

LOUISVILLE GAS AND ELECTRIC COMPANY )  
\_\_\_\_\_ ) CASE NO. 99-002  
)  
FAILURE TO COMPLY WITH COMMISSION )  
REGULATIONS 807 KAR 5:006, SECTION 26(1)(A) )  
AND 807 KAR 5:041, SECTION 3(1) )

O R D E R

By Order dated January 15, 1999, the Commission directed Louisville Gas and Electric Company ("LG&E") to appear at a hearing on February 24, 1999 to show cause why it should not be subject to the penalties provided for under KRS 278.990 for the probable violation of Commission Regulation 807 KAR 5:006, Section 26(1)(a), which requires a utility to notify the Commission within two hours following discovery of any utility-related accident which results in death or injury requiring medical treatment, and three probable violations of 807 KAR 5:041, Section 3(1), which requires utility facilities to be maintained in accordance with the National Electric Safety Code, 1990 Edition ("NESC"). The cited violations of the NESC include Section 42, Rule 420H, which requires utility employees to use the personal protective equipment and devices provided for their work; Section 42, Rule 421A, which requires the first level supervisor or person in charge to adopt such precautions as are within the individual's authority to prevent accidents and to see that the safety rules and operating procedures are observed by the employees under the direction of this individual; and Section 44, Rule 444D, which requires an employee working on de-energized circuits to immediately

proceed to make the employee's own protective grounds or verify that adequate grounds have been applied on the disconnected lines or equipment.

The probable violations arose from a July 23, 1998 accident in Jefferson County, Kentucky, involving an LG&E employee, William E. Hundley. Mr. Hundley was working on an energized primary lead to a subgrade transformer when the lead arced to a metal protective grading. Mr. Hundley received a flash burn to his right arm and was hospitalized.

At LG&E's request, the hearing was held in abeyance and an informal conference was convened on March 10, 1999 to provide an opportunity to discuss the operative facts surrounding the accident. As a result of the discussions at the informal conference, LG&E and Staff entered into a Stipulation of Facts and Agreement ("Stipulation"), which was filed in the record on May 24, 1999. This Stipulation, attached hereto as Appendix A, provides that the facts as set forth in the Staff's Utility Accident Investigation Report, appended to the Commission's January 15, 1999 Order, accurately presents the facts relevant to this proceeding, discusses the changes in operating procedures initiated by LG&E when work is to be performed on subgrade transformers, and details the additional equipment and training provided to employees with respect to working on subgrade transformers. In addition, LG&E has agreed to pay a civil penalty in the amount of \$6,000 in full settlement of this proceeding.

In determining whether the results of the Stipulation are in the public interest and are reasonable, the Commission has taken into consideration the comprehensive nature of the Stipulation and LG&E's willingness to cooperate to achieve a speedy resolution of this case. Based on the evidence of record and being sufficiently advised, the

Commission hereby finds that the Stipulation is in accordance with the law and does not violate any regulatory principal. The Stipulation is the product of arms-length negotiations among capable, knowledgeable parties, is in the public interest, and results in a reasonable resolution of all issues in this case.

IT IS THEREFORE ORDERED that:

1. The Stipulation is adopted and approved in its entirety as a complete resolution of all issues in this case.

2. LG&E shall pay \$6,000 as a civil penalty within 30 days of the date of this Order by certified check or money order made payable to the Kentucky State Treasurer and mailed or delivered to the Office of General Counsel, Public Service Commission, 730 Schenkel Lane, Frankfort, Kentucky.

Done at Frankfort, Kentucky, this 30th day of July, 1999.

By the Commission

ATTEST:

  
Executive Director

APPENDIX A

AN APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 99-002 DATED JULY 30, 1999

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

LOUISVILLE GAS AND ELECTRIC COMPANY )  
\_\_\_\_\_) CASE NO. 99-002  
)  
FAILURE TO COMPLY WITH COMMISSION )  
REGULATIONS 807 KAR 5:006, SECTION 26(1)(A) )  
AND 807 KAR 5:041, SECTION 3(1) )

STIPULATION OF FACTS AND AGREEMENT

By Order dated January 15, 1999, the Commission initiated this proceeding to determine whether Louisville Gas and Electric Company ("LG&E") should be subject to the penalties prescribed in KRS 278.990 for one violation of Commission Regulation 807 KAR 5:006, Section 26(1)(a), and three violations of 807 KAR 5:041, Section 3(1). The Order arose out of an accident that occurred on July 23, 1998 in Louisville, Kentucky, in which an LG&E employee was injured while working on an energized subgrade transformer. Pursuant to LG&E's request, an informal conference with Commission Staff was held at the Commission's offices on March 10, 1999.

LG&E and the Staff submit the following agreement for the Commission's consideration in rendering its decision in this proceeding:

1. LG&E agrees that the Staff's Utility Accident Investigation Report, appended to the Commission's Order dated January 15, 1999, accurately presents the facts relevant to this proceeding.

2. As a result of this accident, LG&E has changed the procedures which it utilizes when working on subgrade transformers. Rather than treating the equipment as energized, and taking the necessary precautions for working on energized equipment, the equipment will be de-energized and appropriate grounds installed before work is commenced. In addition, LGE has purchased and supplied its work crews with new meters designed to check subgrade transformers for voltage. Training on these new procedures and the use of the new metering equipment has been incorporated into the formal training for all linemen, and LG&E agrees to also provide this training on an annual basis.

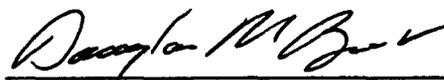
3. LG&E agrees to pay a civil penalty in the amount of \$6,000 in full settlement of this proceeding. The \$6,000 penalty represents a negotiated amount based upon the following: 1) \$2,000 attributable to the probable violation of 807 KAR 5:006, Section 26(1)(a); 2) \$2,000 attributable to the probable violation of 807 KAR 5:041, Section 3(1), National Electric Safety Code, 1990 Edition ("NESC"), Section 42, Rule 420.H; 3) \$2,000 attributable to the probable violation of 807 KAR 5:041, Section 3(1), NESC Section 42, Rule 421.A; and no penalty for the alleged violation of 807 KAR 5:041, Section 3(1), NESC Section 44, Rule 444.D, due to the acknowledgement that the facilities were believed to be energized. Neither the payment of the civil penalty, nor any other agreement contained in this Stipulation of Facts and Agreement, is intended to constitute an admission by LG&E that it violated any of the Commission's regulations, nor shall it be used in any civil proceeding relating to this incident.

4. In the event that the Commission does not adopt this Stipulation of Facts and Agreement in its entirety, LG&E and Staff reserve their rights to withdraw therefrom

and require that a hearing be held on any and all issues involved herein, and that none of the provisions contained herein shall be binding upon the parties hereto or used as an admission by either party.

5. LG&E and Staff agree that the foregoing Stipulation of Facts and Agreement is reasonable, is in the public interest, and should be adopted in its entirety by the Commission. If so adopted by the Commission, LG&E agrees to waive its right to a hearing and no petition for rehearing or judicial appeal will be led.

AGREED TO BY:

  
\_\_\_\_\_  
Douglas M. Brooks  
Counsel for Louisville Gas and Electric Co.

5/17/99  
Date

  
\_\_\_\_\_  
Richard G. Raff  
Counsel for Commission Staff

May 21, 1999  
Date



COMMONWEALTH OF KENTUCKY  
PUBLIC SERVICE COMMISSION  
730 SCHENKEL LANE  
POST OFFICE BOX 615  
FRANKFORT, KENTUCKY 40602  
www.psc.state.ky.us  
(502) 564-3940  
Fax (502) 564-3460

Ronald B. McCloud, Secretary  
Public Protection and  
Regulation Cabinet

Helen Helton  
Executive Director  
Public Service Commission

Paul E. Patton  
Governor

May 24, 1999

Ms. Helen C. Helton  
Executive Director  
Public Service Commission  
730 Schenkel Lane  
P. O. Box 615  
Frankfort, Kentucky 40602

FILED  
MAY 24 1999  
PUBLIC SERVICE  
COMMISSION

Re: Louisville Gas and Electric Company  
Case No. 99-002

Dear Ms. Helton:

Attached hereto please find a Stipulation of Facts and Agreement for filing in the case file of the above-referenced case.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard G. Raff".

Richard G. Raff  
Staff Attorney

fb

Attachment

cc: Parties of Record w/attachment



COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

FILED  
MAY 24 1999  
PUBLIC SERVICE  
COMMISSION

In the Matter of:

LOUISVILLE GAS AND ELECTRIC COMPANY )  
\_\_\_\_\_) CASE NO. 99-002  
)  
FAILURE TO COMPLY WITH COMMISSION )  
REGULATIONS 807 KAR 5:006, SECTION 26(1)(A) )  
AND 807 KAR 5:041, SECTION 3(1) )

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LG&E and the Staff submit the following agreement for the Commission's consideration in rendering its decision in this proceeding:

1. LG&E agrees that the Staff's Utility Accident Investigation Report, appended to the Commission's Order dated January 15, 1999, accurately presents the facts relevant to this proceeding.

2. As a result of this accident, LG&E has changed the procedures which it utilizes when working on subgrade transformers. Rather than treating the equipment as energized, and taking the necessary precautions for working on energized equipment, the equipment will be de-energized and appropriate grounds installed before work is commenced. In addition, LGE has purchased and supplied its work crews with new meters designed to check subgrade transformers for voltage. Training on these new procedures and the use of the new metering equipment has been incorporated into the formal training for all linemen, and LG&E agrees to also provide this training on an annual basis.

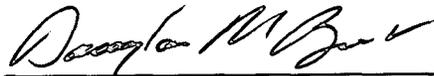
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4. In the event that the Commission does not adopt this Stipulation of Facts and Agreement in its entirety, LG&E and Staff reserve their rights to withdraw therefrom

and require that a hearing be held on any and all issues involved herein, and that none of the provisions contained herein shall be binding upon the parties hereto or used as an admission by either party.

5. LG&E and Staff agree that the foregoing Stipulation of Facts and Agreement is reasonable, is in the public interest, and should be adopted in its entirety by the Commission. If so adopted by the Commission, LG&E agrees to waive its right to a hearing and no petition for rehearing or judicial appeal will be led.

AGREED TO BY:



\_\_\_\_\_  
Douglas M. Brooks  
Counsel for Louisville Gas and Electric Co.

5/17/99

\_\_\_\_\_  
Date



\_\_\_\_\_  
Richard G. Raff  
Counsel for Commission Staff

May 21, 1999

\_\_\_\_\_  
Date



COMMONWEALTH OF KENTUCKY  
**PUBLIC SERVICE COMMISSION**  
730 SCHENKEL LANE  
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FRANKFORT, KENTUCKY 40602  
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(502) 564-3940  
Fax (502) 564-3460

**Ronald B. McCloud, Secretary**  
**Public Protection and**  
**Regulation Cabinet**

**Helen Helton**  
**Executive Director**  
**Public Service Commission**

**Paul E. Patton**  
**Governor**

March 25, 1999

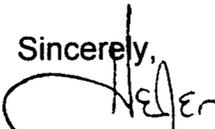
Mr. Greg Fergason  
Regulatory Affairs Coordinator  
Louisville Gas and Electric Company  
P. O. Box 32010  
Louisville, Kentucky 40232-2010

Hon. Douglas M. Brooks  
Senior Counsel Specialist, Regulator  
Louisville Gas and Electric Company  
P. O. Box 32010  
Louisville, Kentucky 40232-2010

Re: Case No. 99-002

Gentlemen:

Attached is a copy of the memorandum which is being filed into the record of the above-referenced case. If you have any comments that you would like to make regarding the contents of the informal conference memorandum, please do so within five days of receipt of this letter. Should you have any questions regarding same, please contact Richard Raff at (502) 564-3940, Extension 260.

Sincerely,  
  
Helen C. Helton  
Executive Director

Attachment



INTRA-AGENCY MEMORANDUM  
KENTUCKY PUBLIC SERVICE COMMISSION

FILED

MAR 25 1999

PUBLIC SERVICE  
COMMISSION

TO: Case File No. 99-002  
FROM: Richard G. Raff *RGR*  
Staff Attorney  
DATE: March 25, 1999  
RE: Informal Conference

Pursuant to the Commission's Order, an informal conference was held on March 10, 1999 at the request of Louisville Gas and Electric Company ("LG&E"). The names of the individuals in attendance are set forth on a list attached hereto.

LG&E and Staff discussed the facts and circumstances of the incident which is the subject of this show cause, and LG&E indicated that it was agreeable to enter into a Stipulation, rather than proceed to a hearing. Further, Staff agreed to prepare a first draft of a Stipulation and forward that to LG&E for its consideration.

cc: Parties of Record

LGE Show Cause Case No. 99-002

3/10/99

Richard Roff	PSC - Legal
Martha M. Minton	PSC - Engineering
John W. Land	PSC Engineering
FRED J. KREBS	L.G.E. EAST SER. CTR. MANAGER
Chuck Carlton	L.G.E. Health & Safety Specialist
Michael Grismer	L.G.E. Const. Supervisor
Kevin L. Kapp	L.G.E. - Engineering & Admin Supv
JAMIE ARCHER	L.G.E. STANDARDS ENGINEER
Douglas Brooks	L.G.E. - Law Rep't
GREG FELGASON	L.G.E. - REGULATORY AFFAIRS
Keith McBRIDE	L.G.E. FIRE AND INCIDENT INVESTIGATOR



COMMONWEALTH OF KENTUCKY  
**PUBLIC SERVICE COMMISSION**

730 SCHENKEL LANE  
POST OFFICE BOX 615  
FRANKFORT, KY. 40602  
(502) 564-3940

March 3, 1999

Greg Ferguson  
Regulatory Affairs Coordinator  
Louisville Gas and Electric Company  
P. O. Box 32010  
Louisville, KY. 40232 2010

RE: Case No. 99-002

We enclose one attested copy of the Commission's Order in  
the above case.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Bell".

Stephanie Bell  
Secretary of the Commission

SB/hv  
Enclosure

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

LOUISVILLE GAS AND ELECTRIC COMPANY )  
 )  
 )  
 \_\_\_\_\_ )  
 ) CASE NO. 99-002  
 )  
 ) FAILURE TO COMPLY WITH COMMISSION )  
 ) REGULATIONS 807 KAR 5:006, SECTION 26(1)(a) )  
 ) AND 807 KAR 5:041, SECTION 3(1) )

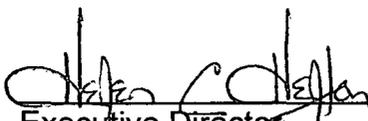
O R D E R

The Commission, having considered the motion of Louisville Gas and Electric Company requesting that the March 2, 1999 informal conference be rescheduled to March 10, 1999 at 10:30 a.m., Eastern Standard Time, and good cause having been shown, HEREBY ORDERS that the informal conference is rescheduled to March 10, 1999 at 10:30 a.m., in Conference Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky.

Done at Frankfort, Kentucky, this 3rd day of March, 1999.

By the Commission

ATTEST:

  
Executive Director

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

MAR - 1 1999

PUBLIC SERVICE  
COMMISSION

In the Matter of:

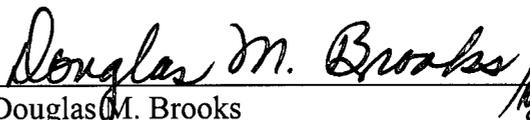
LOUISVILLE GAS AND ELECTRIC COMPANY )  
\_\_\_\_\_) )  
FAILURE TO COMPLY WITH COMMISSION )  
REGULATIONS 807 KAR 5:006, SECTION 26 (1)(a) )  
AND 807 KAR 5:041, SECTION 3(1) )

CASE NO. 99-002

**MOTION TO RESCHEDULE INFORMAL CONFERENCE**

Louisville Gas and Electric Company ("LG&E") hereby requests that the informal conference presently scheduled in this case for March 2, 1999 at 1:00 p.m. be rescheduled. In support of this request, LG&E states that the Commission scheduled the informal conference in this proceeding at LG&E's request. LG&E believes that this matter can be resolved upon stipulated facts without the necessity of a formal hearing. However, the undersigned counsel for LG&E is no longer available to participate in the informal conference on March 2 due to reasons of family illness. LG&E therefore suggests that the informal conference be rescheduled, and suggests either March 9 or 10 as available dates.

Respectfully submitted,



Douglas M. Brooks  
Senior Counsel Specialist, Regulatory  
LOUISVILLE GAS AND ELECTRIC COMPANY  
220 West Main Street  
P.O. Box 32010  
Louisville, Kentucky 40232  
(502) 627-2557  
Counsel for Louisville Gas and Electric  
Company



COMMONWEALTH OF KENTUCKY  
**PUBLIC SERVICE COMMISSION**

730 SCHENKEL LANE  
POST OFFICE BOX 615  
FRANKFORT, KY. 40602  
(502) 564-3940

February 19, 1999

Greg Ferguson  
Regulatory Affairs Coordinator  
Louisville Gas and Electric Company  
P. O. Box 32010  
Louisville, KY. 40232 2010

RE: Case No. 99-002

We enclose one attested copy of the Commission's Order in  
the above case.

Sincerely,  
*Stephanie Bell*

Stephanie Bell  
Secretary of the Commission

SB/sa  
Enclosure

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

LOUISVILLE GAS AND ELECTRIC COMPANY )  
 )  
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 \_\_\_\_\_ ) CASE NO.  
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O R D E R

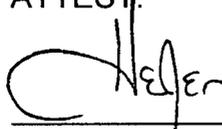
Louisville Gas and Electric Company having requested an informal conference in this matter and the Commission finding good cause, IT IS HEREBY ORDERED that:

1. The hearing in this matter scheduled for February 24, 1999 is cancelled.
2. An informal conference is scheduled for March 2, 1999 at 1:00 p.m., Eastern Standard Time, in Conference Room 2 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky.

Done at Frankfort, Kentucky, this 19th day of February, 1999.

By the Commission

ATTEST:

  
Executive Director 



Rapp  
Morton

**Louisville Gas and Electric Company**  
220 West Main Street  
P.O. Box 32010  
Louisville, Kentucky 40232

February 3, 1999

Helen Helton  
Executive Director  
Kentucky Public Service Commission  
730 Schenkel Lane  
P.O. Box 615  
Frankfort, KY 40602

RECEIVED  
FEB 4 1999  
PUBLIC SERVICE  
COMMISSION

**Re: Louisville Gas and Electric Company  
Case No. 99-002**

Dear Ms. Helton:

You will find enclosed for filing in the above-referenced case an original and ten (10) copies of Louisville Gas and Electric Company's Answer and Request for Informal Conference.

Thank you for your courtesies in this matter. Please contact the undersigned if you have any questions.

Sincerely yours,

Douglas M. Brooks  
Senior Counsel Specialist, Regulatory  
(502) 627-2557

Enclosures

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

LOUISVILLE GAS AND ELECTRIC COMPANY )  
\_\_\_\_\_)  
FAILURE TO COMPLY WITH COMMISSION )  
REGULATIONS 807 KAR 5:006, SECTION 26(1)(a) )  
AND 807 KAR 5:041, SECTION 3(1) )

RECEIVED  
FEB 4 1999  
PUBLIC SERVICE  
COMMISSION  
CASE NO. 99-002

**ANSWER AND REQUEST FOR INFORMAL CONFERENCE**

Louisville Gas and Electric Company ("LG&E") hereby submits its Answer to the Commission's Order dated January 15, 1999, in this case, and requests that the Commission schedule an informal conference between the Staff and LG&E.

**ANSWER**

1. LG&E admits those facts that appear in the body of the Commission's Order of January 15, 1999, and further admits those facts contained in the Utility Accident Investigation Report that is attached as an Appendix to that Order.
2. For further answer, LG&E avers the following additional facts:
  - a. Mr. Hundley and the other LG&E employees on the crew incorrectly believed that they were working on de-energized conductors. Mr. Hundley incorrectly assessed the internal switching capabilities and the external indicators of the sub-grade transformer being removed and assumed that the transformer was fed from the opposite direction that it was actually being fed. Mr. Hundley pulled the "hot" elbow to the transformer, which he believed had de-energized the transformer. With

the help of a co-worker, Mr. Hundley put the elbows on stand-off bushings to further isolate the cables before proceeding with removal of the transformer. The crew had tested and isolated the load break elbows and believed that it was safe to perform the removal of the transformer without grounds. Mr. Hundley had worn appropriate personal protective equipment during the isolation and testing phases of the job.

- b. Mr. Grismer was not Mr. Hundley's direct supervisor on the job in question. At the time of the accident Mr. Hundley was a line technician with twenty (20) years experience with underground electrical equipment. Mr. Grismer was an overhead lead line technician and was the senior employee on the site; however, Mr. Hundley was leading a cross-training operation at the time of the accident.

#### **REQUEST FOR INFORMAL CONFERENCE**

LG&E requests, pursuant to 807 KAR 5:001 §4(4), that the Commission establish an informal conference between its Staff and LG&E for the purpose of discussing the Staff Utility Accident Investigation Report and exchanging information regarding the incident discussed in the Staff Report and the January 15, 1999 Order, and determining whether the case can be submitted to the Commission for resolution on stipulated facts. LG&E believes that an informal conference will save the time and resources of both the Staff and LG&E and will allow for a more efficient disposition of the proceeding.

WHEREFORE, Louisville Gas and Electric Company respectfully requests that the Commission schedule an informal conference in this case and for such other relief as may be proper.

Respectfully submitted,



---

Douglas M. Brooks  
Senior Counsel Specialist, Regulatory  
LOUISVILLE GAS AND ELECTRIC COMPANY  
220 West Main Street  
P.O. Box 32010  
Louisville, Kentucky 40232  
(502) 627-2557  
**Counsel for Louisville Gas and Electric  
Company**



COMMONWEALTH OF KENTUCKY  
**PUBLIC SERVICE COMMISSION**  
730 SCHENKEL LANE  
POST OFFICE BOX 615  
FRANKFORT, KY. 40602  
(502) 564-3940

January 15, 1999

Greg Ferguson  
Regulatory Affairs Coordinator  
Louisville Gas and Electric Company  
P. O. Box 32010  
Louisville, KY. 40232 2010

RE: Case No. 99-002

We enclose one attested copy of the Commission's Order in  
the above case.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Bell".

Stephanie Bell  
Secretary of the Commission

SB/hv  
Enclosure

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1.  Addressee's Address
2.  Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:  
*L H & E  
 Greg Ferguson*

4a. Article Number  
*2 086 103 725*

4b. Service Type  
 Registered  Certified  
 Express Mail  Insured  
 Return Receipt for Merchandise  COD

7. Date of Delivery  
*APR 18 1995*

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)  
 *L. Harris*

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

PS Form 3811, December 1994 *CN 99-002 HV* 102595-98-B-0229 Domestic Return Receipt

*Z 086 103 725*

US Postal Service  
 Receipt for Certified Mail  
 No Insurance Coverage Provided.  
 Do not use for International Mail (See reverse)

Sent to	<i>Greg Ferguson</i>
Street & Number	<i>PO Box 32010</i>
Post Office, State, & ZIP Code	<i>LOUISVILLE, KY 40232</i>
Postage	<i>.55</i>
Certified Fee	<i>1.40</i>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	<i>1.25</i>
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	<i>3.20</i>
Postmark or Date	

PS Form 3800, April 1995

*CN 99-002 HV*

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

LOUISVILLE GAS AND ELECTRIC COMPANY )  
 )  
 \_\_\_\_\_ ) CASE NO. 99-002  
 )  
 FAILURE TO COMPLY WITH COMMISSION )  
 REGULATIONS 807 KAR 5:006, SECTION 26(1)(a) )  
 AND 807 KAR 5:041, SECTION 3(1) )

O R D E R

Louisville Gas and Electric Company ("LG&E") is a Kentucky corporation engaged in the generation, transmission, and distribution of electricity to the public for compensation for lights, heat, power, and other uses and is a utility subject to Commission jurisdiction. KRS 278.010.

KRS 278.280(2) directs the Commission to prescribe rules and regulations for the performance of services by utilities. Pursuant to this statutory directive, the Commission promulgated 807 KAR 5:006, Section 26(1)(a), which requires utilities to notify the Commission within two hours following discovery of any utility-related accident which results in death or shock or burn requiring medical treatment at a hospital or similar medical facility. In addition, the Commission promulgated 807 KAR 5:041, Section 3(1), which requires the maintenance of utility facilities to be in accordance with the National Electric Safety Code, 1990 Edition ("NESC"). The NESC, Section 42, Rule 420H, requires utility employees to use the personal protective equipment and devices provided for their work; Section 42, Rule 421A, requires the first level supervisor or

person in charge to adopt such precautions as are within the individual's authority to prevent accidents and to see that the safety rules and operating procedures are observed by the employees under the direction of this individual; and Section 44, Rule 444D, which requires an employee working on a de-energized circuits to immediately proceed to make the employee's own protective grounds or verify that adequate grounds have been applied on the disconnected lines or equipment.

Commission staff submitted to the Commission a Utility Accident Investigation Report dated September 21, 1998, attached hereto as Appendix A, which alleges that on July 23, 1998 an LG&E employee, William E. Hundley, was working on an energized primary lead to a subgrade transformer when the lead arced to a metal protective grading. Mr. Hundley received a flash burn to his right arm and was hospitalized. One lead to the transformer had been disconnected but neither Mr. Hundley nor the foreman in charge at the job site, Mickey Grismer, were aware that there was a loop feed to the transformer. Protective grounds had not been installed and Mr. Hundley was not wearing rubber gloves or rubber sleeves. LG&E notified the Commission of the accident five days later, on July 28, 1998.

The Utility Accident Investigation Report notes four probable violations of Commission regulations: 1) 807 KAR 5:006, Section 26(1)(a), due to LG&E's failure to notify the Commission within two hours of discovering an accident resulting in a burn requiring hospitalization; 2) 807 KAR 5:041, Section 3(1), due to a violation of NESC Rule 420H, by Mr. Hundley's failure to wear personal protective equipment and protective devices consisting of rubber gloves and rubber sleeves; 3) 807 KAR 5:041, Section 3(1), due to a violation of NESC Rule 421A by the failure of Mr. Grismer, the

first line supervisor, to adopt such precautions within his authority to prevent accidents and to see that the safety rules and operating procedures were observed by the employee under his direction; and 4) 807 KAR 5:041, Section 3(1), due to a violation of NESC Rule 444D by the failure of the employee in charge to make his own protective grounds or verify that adequate grounds had been applied.

The Commission, on its own motion, HEREBY ORDERS that:

1. LG&E shall submit to the Commission within 20 days of the date of this Order a written response to the allegations contained in the Utility Accident Investigation Report.

2. LG&E shall appear on February 24, 1999, at 9:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, to present evidence concerning the incident which is the subject of the Utility Accident Investigation Report, specifically the alleged violations of Commission regulations 807 KAR 5:006, Section 26(1)(a), and 807 KAR 5:041, Section 3(1), and to show cause, if any it can, why it should not be subject to the penalties of KRS 278.990 for the four probable violations of the aforementioned Commission regulations.

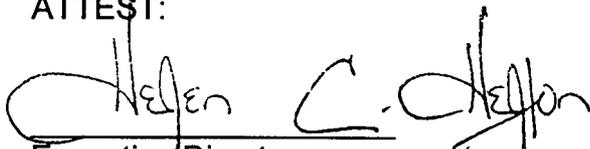
3. The Utility Accident Investigation Report dated September 21, 1998 is hereby made a part of the record of this case.

4. Any request by LG&E for an informal conference with the Commission Staff shall be set forth in writing and filed with the Commission within 20 days of the date of this Order.

Done at Frankfort, Kentucky, this 15th day of January, 1999.

By the Commission

ATTEST:

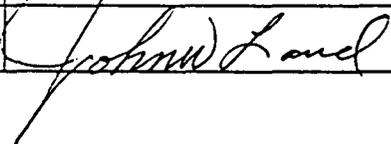
  
Executive Director

September 21, 1998

**UTILITY ACCIDENT  
 INVESTIGATION REPORT**

<b>Utility:</b>	Louisville Gas & Electric Company					
<b>Reported By:</b>	Larry Miller					
<b>Dates &amp; Times</b>	<b>Accident Occurred:</b>	07/23/98 – 2:45 p.m.				
	<b>Utility Notified:</b>	07/23/98 – 2:45 p.m.				
	<b>PSC Notified:</b>	07/28/98 – 3:00 p.m.				
	<b>Investigated:</b>	07/29/98				
	<b>Written Report Rcvd:</b>	08/04/98				
<b>Location of Accident:</b>	3002 Dunraven Court, Louisville, Kentucky					
<b>Description of Accident:</b>	<p>Mr. William E. Hundley was injured when an energized primary lead to a sub-grade transformer he was working on arced to a metal protective grating. Mr. Mickey Grismer, Line Construction and Maintenance Supervisor, said one feed to the transformer had been disconnected and he had checked down line for another. Mr. Grismer said the primary lead had been checked for voltage with a Touchless A/C Volt Indicator, which did not indicate voltage on the primary lead. Mr. Grismer said he was not aware of the loop feed to the transformer. Mr. Grismer was the foreman and in charge at the job site. Protective grounds had not been installed. Mr. Hundley was not wearing rubber gloves or sleeves at the time of his accident.</p>					
<b>Victims:</b>	<b>Name:</b>	William E. Hundley	<b>Fatal:</b>	No	<b>Age:</b>	37
	<b>Addr./Empl.:</b>	10208 Watsonville Rd., Louisville, KY/Louisville Gas & Electric Company				
	<b>Injuries:</b>	Shock and flash burn to right arm				
	<b>Witnesses:</b>	<b>Name</b>	<b>Address/Employment</b>			
	Mickey Grismer	Louisville Gas & Electric employee				

September 23, 1998

	Steve Hebert	Louisville Gas & Electric employee			
	John Lockett	Louisville Gas & Electric employee			
Sources of Information:	Name	Address/Employment			
	Mickey Grismer	Louisville Gas & Electric employee			
	Steve Hebert	Louisville Gas & Electric employee			
	John Lockett	Louisville Gas & Electric employee			
	Chuck Carlton	Louisville Gas & Electric employee			
	Larry Miller	Louisville Gas & Electric employee			
	John Land, On-site Investigator	PSC Engineering Staff			
Probable Violations:	807 KAR 5:006, Section 26(1)(a), PSC was not notified within two (2) hours of the accident. 807 KAR 5:041, Section 3, National Electric Safety Code, 1990 Edition, Section 42, Rules for Employees, Rule 420H, 421A, and Section 44, Additional Rules for Supply Employees, Rule 444D.				
Line Clearances At Point of Accident:	Measured	Minimum Allowed by NESC	Applicable NESC Edition <sup>1</sup> 1990	Volt.	Constr. Date
	N/A				
Date of Measurement:	N/A				
Approximate Temp.:	N/A				
Measurements Made By:	N/A				
Investigated By:	John Land				
Signed:					

Attachments A. Louisville Gas & Electric Company's Accident Report

<sup>1</sup> Current edition adopted by the Commission. If clearances are not in compliance with the current edition, then the edition in effect when the facilities were last constructed or modified would apply.